Diluting the textiles debt recast scheme

1247. SHRIMATI N.P. DURGA: Will the Minister of FINANCE be pleased to state:

(a) whether it is a fact that IDBI diluted the Textile Debt Recast Scheme;

(b) whether it is also a fact that IDBI is going to charge 9 per cent interest on unmet repayment commitments;

(c) if so, the details thereof; and

(d) in what manner it affects the small and medium textile units in the country?

THE MINISTER OF STATE IN THE MINISTRY OF FINANCE (SHRI S.S. PALANIMANICKAM): (a) No Sir. IDBI Ltd. as a lender has been implementing Debt Restructuring Package (DRP) for textile units as per guidelines issued by Government in September, 2003.

(b) and (c) Government announced DRP stipulating *inter-alia* that interest @8-9 per cent per annum may be charged on outstanding high cost non Technology Upgradation Fund Scheme (TUFS) loans. IDBI has accordingly chosen to stipulate a rate of 9 per cent per annum keeping in view its cost of funds etc.

(d) The scheme will reduce the cost of funds of textile units in the country.

New bond scheme for senior citizens

1248. SHRI MANOJ BHATTACHARYA: Will the Minister of FINANCE be pleased to state:

(a) whether the Government have issued a new bond scheme for the senior citizens and if so, the details thereof;

(b) whether the interest earned under the scheme have been exempted from Income Tax;

(c) if not, the reasons for not exempting the senior citizens from tax liability in respect of their hard-earned money whose interests form the major source of their livelihood; and